

Service Date: February 15, 2002

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER OF MONTANA-	)	UTILITY DIVISION
DAKOTA UTILITIES CO., Application	)	DOCKET NO. D2001.11.149
For Approval of Therm Billing Zone	)	ORDER NO. 6398
Change.	)	

\* \* \* \* \*

DEFAULT ORDER GRANTING THERM BILLING ZONE CHANGE

BACKGROUND

1. On November 13, 2001, Montana-Dakota Utilities Co. (MDU) filed an application before the Montana Public Service Commission (PSC) requesting approval of a new therm zone for natural gas service. Therm zones represent service areas where the heat content of natural gas is the same for billing purposes.
2. MDU proposes to create a new therm zone 13 from that part of the existing therm zone 10 which encompasses the Billings/Laurel area north of the Yellowstone River.
3. MDU's proposal will accommodate a new natural gas receipt point and chromatograph on the Elk Basin to Billings natural gas line.

4. In December, 1987, the PSC authorized therm (heat content as opposed to volume) billing on the MDU system. Docket NO. 87.9.47, Order No. 5316.

5. MDU has applied for and received PSC authority to alter therm zone boundaries at times in the past, generally arising from changes in source of supply.

#### FINDINGS OF FACT

6. In this filing, MDU states that its reason for the proposed modifications is that Williston Basin Interstate Pipeline (WBIP) has initiated a new heating district.

7. MDU also states that WBIP has installed a new chromatograph near Laurel in order to more accurately account for the thermal value on the natural gas in that segment of the system.

8. Finally, MDU states that this service area is presently included in another zone (Zone 10), which will now extend from the Elk Basin plant to the Yellowstone River.

9. On November 19, 2001, the PSC issued a Notice of Opportunity for Public Hearing in this proceeding. In that notice, the PSC said, "Any person directly affected by MDU's application may request a hearing on the matter by filing a request for hearing with the PSC no later than December 11, 2001."

10. Having received no requests for public hearing or protests, the PSC approves MDU's request as provided in this order.

#### CONCLUSIONS OF LAW

1. The Applicant, Montana-Dakota Utilities Company, is a public utility as defined in Section 69-3-101, MCA. The Montana Public Service Commission properly exercises jurisdiction over the Applicant's Montana rates and operations pursuant to Section 69-3-102, MCA, and Title 69, Chapter 3, Part 3, MCA.

2. The PSC has provided adequate public notice of all proceedings and an opportunity to be heard as required by Section 69-3-303, MCA, and Title 2, Chapter 4, MCA (Montana Administrative Procedures Act.)

### ORDER

#### IT IS HEREBY ORDERED THAT:

1. The Applicant, Montana-Dakota Utilities Company, is granted authority to create its new Therm Zone 13.
2. Rate schedules and maps filed in response to this Order shall comply with all PSC determinations set forth in this Order.
3. The effective date of this Order shall be for bills rendered on and after January 8, 2002.

DONE IN OPEN SESSION at Helena, Montana on this 8<sup>th</sup> day of January, 2002, by a 5-0 vote.

BY THE ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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GARY FELAND, Chairman

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JAY STOVALL, Vice Chairman

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BOB ANDERSON, Commissioner

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MATT BRAINARD, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Rhonda J. Simmons  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.